TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

August 31, 2009

TO:

THRU:

FROM:

Priscilla Burton, Lead PWB W Ingrid Wieser, Environmental Scientist II

RE:

Midterm Permit Review, Canyon Fuel Company LLC., Skyline Mine, Permit #

C/007/0005 and Task #3356

SUMMARY:

On July 21, 2009, the Division notified Canyon Fuel Company of the commencement of the midterm review. The following items were chosen for review:

- 1. A review of the mine plan to ensure that the requirements of all permit conditions, division orders, notice of violation abatement plans, and permittee initiated plan changes are appropriately incorporated into the mine plan document.
- 2. A review to ensure that the mine plan has been updated to reflect changes in the Utah Coal Regulatory Program that have occurred subsequent to permit approval (example: compliance with U.S. Fish and Wildlife Department - Colorado River Endangered Fish Recovery Program).
- 3. A review of the applicable portions of the permit to ensure that the mine plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area.
- 4. An AVS check to insure that Ownership and Control information is current and correct, verify compliance status of unabated enforcement actions, determine status of any outstanding finalized penalties, and verify that there are no demonstrated patterns of violation.

- 5. A review of the bond to ensure that it is in order and that the cost estimate is accurate and is escalated to the appropriate current-year dollars.
- 6. A review of the mining and reclamation plan for compliance with operator commitments related to variances or special permit conditions (including but not limited to subsidence control/monitoring plans and reporting requirements, variances to AOC, experimental practices, electronic database water monitoring reporting, raptor surveys, revegetation test plots, etc.).
- 7. The Division may conduct a technical site visit, in conjunction with the assigned compliance inspector, to document the status and effectiveness of operational, reclamation, and contemporaneous reclamation practices.

TECHNICAL ANALYSIS:

PERMIT TERM

Regulatory References: 30 CFR 778.17; R645-301-116.

Analysis:

The Skyline Mine permit was issued April 30, 2007 and expires April 30, 2012. There are no permit conditions related to biology or land use.

Findings:

The information provided is considered adequate to meet the minimum regulatory requirements for this section.

ENVIRONMENTAL RESOURCE INFORMATION

Regulatory Reference: Pub. L 95-87 Sections 507(b), 508(a), and 516(b); 30 CFR 783., et. al.

FISH AND WILDLIFE RESOURCE INFORMATION

Regulatory Reference: 30 CFR 784.21; R645-301-322.

Analysis:

Canyon Fuel Company has committed to doing numerous Aquatic surveys including macroinvertebrate and fish on several stream reaches within the skyline mine permit area. All surveys have been conducted to date. Canyon Fuel Company has committed to submitting the macroinvertebrate reports that are being prepared by the consultant that were conducted in 2007 and 2008.

Findings:

The information provided is considered adequate to meet the minimum regulatory requirements for this section.

OPERATION PLAN

FISH AND WILDLIFE INFORMATION

Regulatory Reference: 30 CFR Sec. 784.21, 817.97; R645-301-322, -301-333, -301-342, -301-358.

Analysis:

Endangered and Threatened Species

Water depletion within the Colorado River Basin is considered by the USFWS to adversely affect endangered fish species. The Skyline Mine MRP contains water depletion calculations on page 2-51d of section 2.5 of volume 1A of the MRP. The permittee included the following calculations:

- 1. Mine Consumption(Culinary well) 41.69 acre/feet
- 2. Ventilation Consumption/Evaporation: 11.21 acre/feet
- 3. Coal Producing/Coal Moisture loss: 34.06 acre/feet
- 4. Sediment Pond Evaporation: 2.99 acre/ feet
- 5. Springs and Seeps: n/a
- 6. Alluvial Aquifer Abstractions into Mine: n/a
- 7. Deep Aquifer pumpage: n/a
- 8. Postmining inflow: 0
- 9. Direct Diversions: n/a

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- 10. Dust suppression: 3.7 acre/feet
- 11. Mine Discharge: 6059 acre/ feet (Mine discharge can be used as an offset if it is in compliance with the UPDES permit.)

The permittee reports a net gain of 5966 acre/feet per year. According to the US Fish and Wildlife Service, water that meets the effluent limitation set by water quality and that is discharged into the Colorado River drainage can be used to offset consumption.

Findings:

The information provided is considered adequate to meet the minimum regulatory requirements for this section.

RECOMMENDATIONS:

The midterm is recommended for approval.

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